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JOINT UN/UNESCO SEMINAR ON URBANIZATION IN THE ECAFE REGION

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Report on Item 3 (e) of the Agenda

PROBLEMS OF LABOUR STABILITY, THE LACK OF VOCATIONAL TRAINING AND PRODUCTIVITY

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1. Introducing the paper on the "Problems of Man-power and Productivity" prepared by the International Labour Office, the representative of the ILO stated that two broad conclusions had already emerged from the discussions on items (1) and (2) of the Agenda. The first of these was that in most ECAFE countries, until recently, towns had expanded faster and the exodus from the rural areas to the towns had been larger than warranted by the growth of economic opportunities in towns. Most of these workers who drifted into towns found jobs only in casual employment, i.e. service occupations and trades such as peddlers, rickshaw-pullers, domestic servants, bootblacks, etc. Thus unlike in the more advanced countries, in the ECAFE region, the larger proportion of the workers engaged in "turtiary" occupations in towns was an index not of economic progress but of stagnation.

/Secondly,

Secondly, whatever the future pattern of economic progress may be, there was little question that to reduce the excessive pressure on land, there had to be a steady expansion in the manufacturing industries. Not all the new and expanding industries need to be located in the big towns and there was in fact a good case for encouraging the growth not of a few giant cities, but of a number of medium-size towns scattered throughout the countries and serving the surrounding rural areas. But whatever the degree of decentralization aimed at in the location of industries, a measure of urbanization was inevitable. This gives rise to the problem of adopting the rural labour flowing into the towns both from the psychological and the technical points of view to the new methods of production in modern industrial establishments using modern techniques and producing for the market.

2. The ILO representative then reviewed briefly the factors which lead to the instability, the lack of skill, and the low levels of earnings of the workers entering the urban labour markets and the problems relating to the employment of women, young persons, and the children in urban areas. Outlining the short-term and the long-term remedial measures that might be taken, he gave examples of the ways in which the ILO was providing technical assistance to some of the countries in the region in developing machinery and techniques for providing continuing employment information; in promoting vocational training and apprenticeship schemes; and in developing productivity programmes suited to Asian countries and designed particularly to promote the application in the ECAFE countries of modern management and industrial engineering techniques and create a climate both among management and the workers favourable to further measures to raise productivity. He then commended to the Seminar the following conclusions:

(a) It is characteristic of workers who are abruptly transplanted from rural to urban areas, particularly if (as is frequently the case in the ECAFE region) the transition is from a more or less primitive subsistence economy to a technologically more advanced exchange economy, that they lack stability, that they have difficulty in themselves to urban conditions, that they have no training for or experience of industrial work, and that their productivity is very low.

/(b) The conditions

(b) The conditions in which they are housed, and the social services available in the towns, are usually very inadequate, and there is usually a surplus of unskilled labour in urban labour markets.

(c) Policy measures must take account as fully as possible of the characteristics and requirements of the male and female workers concerned, and of the special requirements of juveniles.

(d) Various measures in the field of manpower policy may contribute towards a solution of the problems of instability, lack of skill and low productivity. Short-term measures include arrangements for diffusing in rural areas accurate information concerning living and working conditions and employment prospects in the towns, and the provision of facilities for accelerated vocational training for workers who come to the towns. Longer-term measures include (i) expansion of the rural and urban school systems and a re-orientation of school curricula, with greater emphasis on practical vocational or pre-vocational training, so as to equip children better for the conditions which will confront them in urban labour markets; (ii) the development of vocational training facilities in urban centres; (iii) extension of the activities of employment services; and (iv) regulation of conditions of employment through the adoption and enforcement of appropriate social legislation.

(e) If urbanization is not to create new wants more rapidly than industrialization creates the means for satisfying them, it is imperative that urbanization should be accompanied by a rapid growth in industrial productivity and employment. Measures in the field of manpower policy therefore need to be devised and applied as integral parts of more general policies aiming at economic development and higher levels of productivity and employment.

/(f) There is

(f) There is considerable scope for improved utilization of resources in existing and newly developed industries in under-developed countries through the application of modern methods of management.

(g) Improved productivity can be made to contribute to capital formation and to the expansion of employment opportunities.

(h) Since higher productivity has a direct impact on and depends on the support of both labour and management, productivity programmes should, in the first stage, seek to secure their interest and support a common basis for mutually advantageous action.

(i) Secondly, productivity programmes should be instrumental in providing a broad range of educational and consulting services.

(j) Joint "Productivity Centres", with government support, can usefully serve as focal points for the organization and execution of productivity programmes.

3. This was followed by a lively discussion during which various points were clarified.

4. It was pointed out by the representative of ICFTU that while it was very largely true that the new rural labour migrating into the growing towns was unstable, there were a number of industrial towns in India where a permanently settled labour force already existed, e.g. the textile towns and the coal-mining towns. He pointed out that in these areas a new problem had in fact emerged. Because recent legislation in India obligated employers to provide certain extra benefits and bonuses to the permanent workers, the employers were reluctant to hire new workers, except on temporary basis. Again, the stability of the workers in the industrial centres can be promoted, as experience in India has clearly demonstrated, by the promotion of appropriate welfare facilities in the work places, e.g. canteens, etc. Also with reference to the point made in the ILO paper, that large numbers of young persons from rural areas

/entering towns

entering towns were frequently employed in domestic service where they were underpaid and over-worked, he enquired what special action, if any, the ILO had taken to protect workers in the domestic services. Subsequent discussion brought out the point that practical measures that could be taken to protect the domestic workers were under the study of the International Labour Office. However, the question of practical enforcement of such protective measures as might be taken was likely to be rather difficult because of the wide dispersion of the domestic workers. Also any solution to this problem was closely linked up with the expansion of school facilities in towns. When there were enough schools and teachers in towns to make possible the introduction of compulsory education for all young persons under the prescribed age limit, these persons would be automatically taken off the employment market.

5. The proposal that the curricula of the rural and the urban schools should be reoriented with greater emphasis on pre-vocational preparation, and elementary technical training so as to equip children better for the conditions which will confront them in the urban labour markets closely analyzed. It was generally agreed that such a reorientation was needed. In fact, in some countries such as India, where the government was trying to introduce in schools the system of basic education which will give pupils some elementary training in simple crafts, and in Pakistan, there were definite plans to introduce such a vocational bias. However, there were a number of practical problems for which a solution had still to be found. One of these was to pick out the basic technical trades and skills for which some preparatory training should be given and which will be useful not only in manufacturing industries, but also in agriculture. A second and more basic problem was the strong and widespread tendency of all persons who have been to schools of whatever type to look down upon all manual work. In fact, there had been cases where both parents and pupils had objected to the introduction of such a vocational bias in schools. Something had to be done in the ECAFE countries to promote mental attitudes which will attach as much value to manual skills as to intellectual

/attainments.

attainments. There was no question, however, that in the formulation of policies for dealing with the problems of towns and their proper development, the utilization of human resources by suitable training programmes, needs as much attention as the planning of the material resources such as the roads and the houses. These training programmes are divisible into three, namely, training for literacy, training for the skills needed for economic development, and training for vocations such as those of teachers, lawyers, engineers and doctors. Much more thought needed to be given than has been done hitherto to this problem of proper utilization of human resources in urban areas through suitable training programmes.

6. Considerable stress was also laid during the discussions on the important role the workers' organizations can play in adapting the incoming rural workers to employment in the industrial establishments in towns by appropriate workers' education programmes. The workers' organizations can also co-operate in the promotion of suitable training schemes for workers and ensure that the workers get the fullest benefits from such welfare facilities as are provided and such social legislation as has been enacted.

7. All speakers also warmly endorsed the suggestion that arrangements should be made for the continuous and systematic collection of information concerning living and working conditions in towns, the actual employment prospects, and the types of skills that were in demand, and to diffuse this information in the rural areas. The role which the employment services can play in developing and operating such continuous employment information programmes and the pilot projects in this field which the ILO is helping governments to develop in India and Indonesia were noted with interest. It was further suggested that it would be useful to develop side by side with such a continuous employment information programme suitable organizations for providing vocational guidance and counselling to the new entrants to towns.

/8. There was

8. There was also some exchange of views on the need to promote suitable housing as part of the programme to develop a stable and an efficient labcur force in the urban areas. It was stated by one speaker that ILO action in this field had been quite slow and that one way of achieving a quick solution would be to make the larger industrial employers wholly responsible for providing decent housing to their workers. Replying to this, another participant stated that the problem of housing was a national one and had to be approached and solved on an overall national basis. Measures for financing had to be found which would neither discourage further investment in industry nor reduce the workers'freedom of movement. The whole question of what proportion of the total resources could be used for housing had to be reviewed and decided in the light of the overall priorities for utilizing the available scarce resources.

9. Other points which emerged during the discussions were the need for a clear understanding of the precise objectives of the productivity programmes and the importance of providing for urban workers new forms of social security to replace the more primitive arrangements in rural communities which, while never intended to deal with the risks and hazards of a modern economic life, do for the most part ensure that while there is food nobody starves. Unless some minimum provision at least was made to cover such major risks as the loss of income due to sickness and maternity and the temporary loss of employment, the rural worker in the town was bound to keep his tie with the rural areas and feel himself an alien in the town.

10. With these clarifications and comments the Seminar agreed to the conclusions set out in para 2 above.